

**BEFORE THE PUBLIC UTILITIES COMMISSION
OF THE STATE OF CALIFORNIA**



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Order Instituting Rulemaking on Regulations
Relating to Passenger Carriers, Ridesharing,
and New Online-Enabled Transportation
Services

Rulemaking 12-12-011
(Filed December 20, 2012)

**REPLY COMMENTS OF CRUISE LLC ON THE PROPOSED DECISION
AUTHORIZING DEPLOYMENT OF DRIVERED AND DRIVERLESS
AUTONOMOUS VEHICLE PASSENGER SERVICE**

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Pursuant to the Proposed Decision of Commissioner Shiroma (“PD”), mailed October 15, 2020, Cruise LLC (“Cruise”) respectfully submits these reply comments.

I. INTRODUCTION

Cruise commends the Commission on its PD. Subject to modifications proposed in Cruise’s earlier comments,¹ the Commission’s proposed deployment program has the potential to greatly increase access to transportation, promote utilization of electric vehicles (“EVs”), and improve road safety. Cruise urges the Commission to move quickly to allow the deployment of autonomous vehicle (“AV”) fleets. Providing a clear path for deployment is vital for all Californians, especially due to the reduction in transportation options during the COVID-19 pandemic.

II. DISCUSSION

1. A traditional TCP application process is appropriate for AV deployment.

A. The existing TCP application process establishes clear metrics capable of being assessed by Commission staff.

Multiple parties to this Rulemaking, including Cruise, commented that the Tier 3 Advice Letter process should not apply to AV fleet deployment applications.² Applying the Advice Letter process to AV service would be contentious, anti-competitive, political, and prone to extensive delay. Applicants should be evaluated by the Commission on their merit, free from delays driven by the strategic or competitive motives of advocacy groups or other parties to this proceeding.

¹ Cruise PD Comments.

² Self-Driving Coalition for Safer Streets PD Comments at 3; Aurora Innovation PD Comments at 5; Lighthouse for the Blind and Visually Impaired PD Comments at 6; MADD PD Comments at 4-5.

Contrary to some commenters' claims, the PD establishes clear threshold requirements for applicants seeking to deploy AV service in the state.³ Commission staff is capable and qualified to assess applicants' ability to meet such metrics through a traditional Charter-Party Carrier ("TCP") of Passengers Application process, as they have for years. In addition, the Commission has clear statutory authority and significant experience supervising and regulating TCPs.⁴

B. Specific plans on potential areas of AV impact are premature and cover issues better addressed by other aspects of the PD.

AVs have tremendous potential to increase access to climate-friendly, equitable, and accessible transportation. The PD already requires comprehensive reporting of air quality information and greenhouse gas emissions by AV fleets.⁵ Requiring air quality and climate protection plans is premature and unnecessary, as AV companies lack baseline information on the public's response to AV fleet deployment. Electrified AV fleets also play an important role in California's climate and air quality goals.⁶ Delaying their launch may hamper California's climate protection efforts.⁷ Additionally, many AV companies, like Cruise, either are all-electric or have made a commitment to be so in the future. For this reason, there is no need for further air quality and climate protection plans at the outset.

Cruise strongly supports the incorporation of equity objectives, and equity reporting in the PD's plan for AV deployment.⁸ Cruise believes that all-electric AVs will be important contributors to equitable transportation objectives. AV companies will be able to better understand how best to improve access and outreach after initial deployment, data analysis, and collaborative work with the local agencies, community stakeholders, and transportation planners in the communities in which they deploy.⁹ Such work has already begun without the need for mandated plans. Cruise strongly believes that AV companies can best achieve transportation equity goals by contributing to broader community transportation planning, rather than developing an individualized, limited scope plan during the initial deployment phase.

³ PD at 35-36, 107-112. SFMTA & SFCTA PD Comments at 8.

⁴ Pub. Util. Code § 5381.

⁵ PD at 46-47, 93, 100, 112, 119.

⁶ PD at 43.

⁷ See, e.g., Governor Newsom's Exec. Order N-79-20 (Sep. 23, 2020) <https://www.gov.ca.gov/wp-content/uploads/2020/09/9.23.20-EO-N-79-20-text.pdf>.

⁸ PD at 93, 100, 112, 119.

⁹ PD at 22.

Finally, Cruise has actively engaged with accessibility advocates to understand the transportation services the community needs.¹⁰ Cruise supports the PD's requirements that AV operators continuously and actively engage with accessibility advocates and describe the actions they have taken to provide accessible services.¹¹ Requiring applicants to develop separate disability access plans¹² is not necessary and will likely produce prescriptive plans that may not align with the needs of the community.

The addition of a multitude of new plans, many of whose goals are already addressed in the PD, only serve to further delay the deployment of AVs, and add yet another unique requirement on nascent AV technology that other Commission regulated entities are not subject to.

2. The PD properly promotes regulatory certainty and includes stringent data reporting requirements.

A. Specific grants of local regulatory authority are unwarranted.

The Commission and the DMV have developed comprehensive regulatory frameworks for AV deployment in this state, in large part due to the work of the Commission in this Rulemaking.¹³ Moreover, the Legislature, with support of the Governor, established the initial AV statewide frameworks underpinning this regulatory authority.¹⁴ Several comments suggest that the Commission explicitly grant local authorities the right to impose individual fare, tax, fee, and other pricing regulations. Subjecting AV companies to the possibility of an unlimited number of pricing structures¹⁵ and vehicle deployment requirements¹⁶ will restrict or prevent access to this transportation option for millions of Californians and is unwarranted. The Commission should take no action to grant the regulatory authority requested by the commenters.

B. Data reporting in the PD is already comprehensive and has significant privacy implications.

The PD contemplates extensive data reporting requirements, some of which risk the privacy interests of Californians if implemented.¹⁷ Certain commenters request the ability to

¹⁰ Cruise Comments Q1 at 7.

¹¹ PD at 66.

¹² MTC PD Comments at 3-4.

¹³ Cruise PD Comments at 4; Waymo PD Comments at 14.

¹⁴ In 2012, the legislature passed SB 1298, requiring the DMV to develop rules for AV operation.

¹⁵ LADOT PD Comments at 3-4. Local jurisdictions have argued for the ability to regulate fare prices, mandate discounts, or impose special taxes and fees at a local level, all of which must be rejected.

¹⁶ SFTWA PD Comments at 8.

¹⁷ Cruise PD Comments at 9-11 address Cruise's underlying concerns with data reporting requirements as currently drafted.

impose additional data reporting requirements for vehicle miles traveled (“VMT”), “close-call” data, service interruptions, as well as a variety of vehicle safety metrics, which are within the exclusive jurisdiction of the DMV.¹⁸ Requiring disaggregated data reporting to local jurisdictions or enabling a patchwork of data reporting requirements across the state has significant potential to burden AV companies and further impact Californians’ privacy rights, without any compelling public benefit.¹⁹ Any modification that allows localities to impose individualized requirements for data aggregation, or the level, method, and cadence of data reporting not only hampers AV companies’ ability to provide service across local jurisdictions, but also further increases the risk that Californians’ private information will be mishandled.

AV services will cross local jurisdictional boundaries. With varying data reporting requirements across local jurisdictions, deanonymization of the data of rides—and the related rider privacy implications—is a significant concern. Further, local jurisdictions seek monthly or *weekly* data reporting on publicly accessible data interfaces,²⁰ which is plainly unnecessary, onerous, and inapplicable to other Commission-regulated transportation entities.

The Commission must retain control over regulatory and data reporting requirements to allow for access to AV services statewide, and to strike a balance on data reporting requirements.

3. Centrally controlled AV fleets have a fundamentally different relationship with VMT, especially in light of increasingly electric fleets.

EVs present a unique opportunity to decouple the negative relationship between VMT and greenhouse gas emissions from transportation. In California, on average, EVs are already 83% cleaner than standard gas vehicles.²¹ All-electric AV fleets charged from 100% renewable energy, such as those used by Cruise, are an opportunity to drive those emissions even lower.

Overly simplistic arguments that negatively frame the relationship between VMT and greenhouse gas emissions for AV electric fleets ignore these facts.²² Moreover, centrally-controlled AV fleets cannot be compared to Transportation Network Company (“TNC”) fleets, and concerns about congestion and VMT based on commenters’ experiences with TNCs are

¹⁸ AV service providers provide DMV collision data to the Commission. 13 Cal. Code Regs §227.48

¹⁹ LADOT PD Comments at 4-6; SFO PD Comments at 2.

²⁰ LADOT PD Comments at 9-10.

²¹ U.S. Department of Energy, Alternative Fuels Data Center - Emissions from Hybrid and Plug-In Vehicles, https://afdc.energy.gov/vehicles/electric_emissions.html

²² SFO PD Comments at 2,4. MTC PD Comments at 5.

unfounded. Several studies have shown that AVs can smooth traffic flow,²³ reduce vehicles on the road,²⁴ and decrease travel time, resulting in reduced emissions.

4. CEQA does not apply to this Rulemaking.

Certain commenters raise here, for the first time, the claim that the Commission's decision is subject to the California Environmental Quality Act ("CEQA").²⁵ Commenters have been involved in this Rulemaking for many years, yet choose to raise this threshold argument now, at the culmination of multiple comment periods.

The Commission has previously provided its analysis of CEQA's application to an earlier, related Rulemaking, and has offered no indication that their approach to CEQA has changed.²⁶ The Commission has the sole discretion to reconsider the application of CEQA if it undertakes further actions in connection with AV operations at a later time.

III. CONCLUSION

Cruise respectfully urges the Commission to move towards a final decision expeditiously with suggested modifications.

Respectfully submitted,



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²³ Stern et al., *Dissipation of stop-and-go waves via control of autonomous vehicles: Field experiments*, Transp. Research Part C (Apr. 2018), <https://www.sciencedirect.com/science/article/pii/S0968090X18301517>.

²⁴ Fagnant & Kockelman, *The travel and environmental implications of shared autonomous vehicles, using agent-based model scenarios*, Transp. Research Part C (Mar. 2014), <https://www.sciencedirect.com/science/article/pii/S0968090X13002581?via%3Dihub>.

²⁵ CTA PD Comments at 5.

²⁶ CPUC, Decision 14-04-022 *Order Granting Ltd. Reh'g of Decision 13-09-045* (April 11, 2014) <https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M089/K077/89077611.PDF> (explaining that the rules promulgated related to TNCs would not qualify as a "project" under CEQA).